

**ARIZONA CORPORATION COMMISSION**  
**UTILITIES DIVISION**

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY

W-03720A  
Water Utility of Northern Scottsdale, Inc.  
c/o Global Water  
21410 N 19<sup>th</sup> Ave. Ste. 201  
Phoenix, AZ 85027

W

RECEIVED

APR 1 2010

ACC UTILITIES DIRECTOR

**ANNUAL REPORT**  
**Water**

FOR YEAR ENDING

12	31	2009
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FOR COMMISSION USE

ANN 04	09
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4-20-10

4-20-10

## COMPANY INFORMATION

**Company Name (Business Name)** Water Utility of Northern Scottsdale, Inc.

**Mailing Address** 21410 N. 19<sup>th</sup> Ave., Ste. 201

(Street)

Phoenix

(City)

AZ

(State)

85027

(Zip)

623-580-9600

Telephone No. (Include Area Code)

623-580-9659

Fax No. (Include Area Code)

NA

Cell No. (Include Area Code)

**Email Address** graham.symmonds@gwresources.com

**Local Office Mailing Address** Same as above

(Street)

(City)

(State)

(Zip)

Local Office Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Cell No. (Include Area Code)

**Email Address** \_\_\_\_\_

## MANAGEMENT INFORMATION

☐ **Regulatory Contact:** Graham Symmonds

☐ **Management Contact:** Graham Symmonds CTO & SVP Regulatory Affairs & Compliance

(Name)

(Title)

21410 N. 19<sup>th</sup> Ave. Ste. 210

(Street)

Phoenix

(City)

AZ

(State)

85027

(Zip)

623-580-9600

Telephone No. (Include Area Code)

623-580-9659

Fax No. (Include Area Code)

602-615-4532

Cell No. (Include Area Code)

**Email Address** graham.symmonds@gwresources.com

**On Site Manager:** Ron Fleming, WVR General Manager

(Name)

201 East Coronado Street

(Street)

Buckeye

(City)

AZ

(State)

85326

(Zip)

623-386-4252

Telephone No. (Include Area Code)

623-386-6638

Fax No. (Include Area Code)

602-550-2717

Cell No. (Include Area Code)

**Email Address** ron.fleming@gwresources.com

<b>Statutory Agent:</b> <u>Andrew Abraham, Burch &amp; Cracchiolo, PLC</u>			
(Name)			
<u>702 East Osborn, Ste. 200</u>	<u>Phoenix</u>	<u>AZ</u>	<u>85014</u>
(Street)	(City)	(State)	(Zip)
<u>602-274-7611</u>	<u>602-234-0341</u>		
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Cell No. (Include Area Code)	
<b>Attorney:</b> <u>Timothy J. Sabo, Roshka DeWulf &amp; Patten, PLC</u>			
(Name)			
<u>400 E Van Buren, Ste. 800</u>	<u>Phoenix</u>	<u>AZ</u>	<u>85004</u>
(Street)	(City)	(State)	(Zip)
<u>602-256-6100</u>	<u>602-256-6800</u>		
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Cell No. (Include Area Code)	
<b>Email Address</b> _____			

### OWNERSHIP INFORMATION

Check the following box that applies to your company:

- |   |  |
|---|--|
| <input type="checkbox"/> Sole Proprietor (S)    | <input checked="" type="checkbox"/> C Corporation (C) (Other than Association/Co-op) |
| <input type="checkbox"/> Partnership (P)        | <input type="checkbox"/> Subchapter S Corporation (Z)                                |
| <input type="checkbox"/> Bankruptcy (B)         | <input type="checkbox"/> Association/Co-op (A)                                       |
| <input type="checkbox"/> Receivership (R)       | <input type="checkbox"/> Limited Liability Company                                   |
| <input type="checkbox"/> Other (Describe) _____ |  |

### COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

- |                                     |  |                                   |
|-------------------------------------|--|-----------------------------------|
| <input type="checkbox"/> APACHE     | <input type="checkbox"/> COCHISE             | <input type="checkbox"/> COCONINO |
| <input type="checkbox"/> GILA       | <input type="checkbox"/> GRAHAM              | <input type="checkbox"/> GREENLEE |
| <input type="checkbox"/> LA PAZ     | <input checked="" type="checkbox"/> MARICOPA | <input type="checkbox"/> MOHAVE   |
| <input type="checkbox"/> NAVAJO     | <input type="checkbox"/> PIMA                | <input type="checkbox"/> PINAL    |
| <input type="checkbox"/> SANTA CRUZ | <input type="checkbox"/> YAVAPAI             | <input type="checkbox"/> YUMA     |
| <input type="checkbox"/> STATEWIDE  |  |                                   |

**COMPANY NAME: WATER UTILITY OF NORTHERN SCOTTSDALE**

**UTILITY PLANT IN SERVICE**

ACCT NO	DESCRIPTION	ORIGINAL COST	ACCUMULATED DEPRECIATION	OCID
301	ORGANIZATION	-	-	\$ -
302	FRANCHISE	-	-	\$ -
303	LAND AND LAND RIGHTS	28,647.00	-	\$ 28,647.00
304	STRUCTURES AND IMPROVEMENTS	20,000.00	(3,663.00)	\$ 16,337.00
307	WELLS & SPRINGS	130,000.00	(23,809.50)	\$ 106,190.50
311	PUMPING EQUIPMENT	216,158.16	(134,452.02)	\$ 81,706.14
320	WATER TREATMENT EQUIPMENT	377.05	(18.86)	\$ 358.19
330	DISTRIBUTION RESERVOIRS & STANDPIPES	182,972.14	(22,353.72)	\$ 160,618.42
331	TRANSMISSION & DISTRIBUTION MAINS	1,155,497.43	(90,677.76)	\$ 1,064,819.67
333	SERVICES	60,046.84	(7,814.13)	\$ 52,232.71
334	METERS & METER INSTALLATIONS	11,171.68	(3,897.12)	\$ 7,274.56
335	HYDRANTS	108,311.70	(8,398.18)	\$ 99,913.52
336	BACKFLOW PREVENTION DEVICES	775.45	(154.57)	\$ 620.88
339	OTHER PLANT & MISCELLANEOUS EQUIPMENT	2,389.61	(463.64)	\$ 1,925.97
340	OFFICE FURNITURE AND EQUIPMENT	-	-	\$ -
341	TRANSPORATION EQUIPMENT	-	-	\$ -
343	TOOLS, SHOP, AND GARAGE EQUIPMENT	515.15	(38.64)	\$ 476.51
344	LABORATORY EQUIPMENT	131.05	(38.22)	\$ 92.83
345	POWER OPERATED EQUIPMENT	-	-	\$ -
346	COMMUNICATION EQUIPMENT	-	-	\$ -
347	MISCELLANEOUS EQUIPMENT	-	-	\$ -
348	OTHER TANGIBLE PLANT	-	-	\$ -
	<b>TOTALS</b>	<b>1,916,993.26</b>	<b>(295,779.36)</b>	<b>\$ 1,621,213.90</b>

This amount goes on the Balance Sheet Acct. No. 108



**COMPANY NAME: WATER UTILITY OF NORTHERN SCOTTSDALE**

**CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR**

ACCT NO	DESCRIPTION	ORIGINAL COST	DEPRECIATION PERCENTAGE	DEPRECIATION EXPENSE
303	LAND & LAND RIGHTS	28,647.00	0%	\$ -
304	STRUCTURES & IMPROVEMENTS	20,000.00	3%	\$ 666.00
307	WELLS & SPRINGS	130,000.00	3%	\$ 4,329.00
311	PUMPING EQUIPMENT	216,158.16	11% OR 13%	\$ 26,885.97
320	WATER TREATMENT EQUIPMENT	377.05	3%	\$ 12.57
330	DISTRIBUTION RESERVOIRS & STANDPIPES	182,972.14	2%	\$ 4,065.65
331	TRANSMISSION & DISTRIBUTION MAINS	1,155,497.43	2%	\$ 23,108.19
333	SERVICES	60,046.84	3%	\$ 2,001.36
334	METERS & METER INSTALLATIONS	11,171.68	8%	\$ 941.84
335	HYDRANTS	108,311.70	2%	\$ 2,122.76
336	BACKFLOW PREVENTION DEVICES	775.45	7%	\$ 51.73
339	OTHER PLANT & MISCELLANEOUS EQUIPMENT	2,389.61	6% OR 7%	\$ 202.82
343	TOOLS, SHOP, AND GARAGE EQUIPMENT	515.15	5%	\$ 25.76
344	LABORATORY EQUIPMENT	131.05	8%	
	<b>TOTALS</b>	<b>1,916,993.26</b>		<b>\$ 64,413.65</b>

This amount goes on the Comparative Statement of Income and Expense  
Acct. No. 403.



**BALANCE SHEET**

<b>Acct No.</b>		<b>BALANCE AT BEGINNING OF YEAR</b>	<b>BALANCE AT END OF YEAR</b>
	<b>ASSETS</b>		
	<b>CURRENT AND ACCRUED ASSETS</b>		
131	Cash	\$	\$
134	Working Funds		
135	Temporary Cash Investments		
141	Customer Accounts Receivable	3,587	3,144
143	Accumulated Provision for Uncollectable Accounts	(920)	(807)
146	Notes/Receivables from Associated Companies		
151	Plant Material and Supplies		
162	Prepayments	1,790	427
174	Miscellaneous Current and Accrued Assets	3,207	8,351
	<b>TOTAL CURRENT AND ACCRUED ASSETS</b>	<b>\$7,664</b>	<b>\$11,115</b>
	<b>FIXED ASSETS</b>		
101	Utility Plant in Service	\$1,914,538	\$1,916,993
103	Property Held for Future Use		
105	Construction Work in Progress	5,218	4,070
108	Accumulated Depreciation – Utility Plant	(231,366)	(295,779)
121	Non-Utility Property		
122	Accumulated Depreciation – Non Utility		
	<b>TOTAL FIXED ASSETS</b>	<b>\$1,688,390</b>	<b>\$1,625,284</b>
	<b>OTHER ASSETS</b>		
190	Accumulated Deferred Income Taxes	98,054	13,690
	<b>TOTAL OTHER ASSETS</b>	<b>98,054</b>	<b>13,690</b>
	<b>TOTAL ASSETS</b>	<b>\$1,794,109</b>	<b>\$1,650,089</b>

**NOTE:** The Assets on this page should be equal to **Total Liabilities and Capital** on the following page.

**BALANCE SHEET (CONTINUED)**

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	<b>LIABILITIES</b>		
	<b>CURRENT LIABILITES</b>		
231	Accounts Payable	\$4,994	\$12,987
232	Notes Payable (Current Portion)		
234	Notes/Accounts Payable to Associated Companies		
235	Customer Deposits	1,890	6,560
236	Accrued Taxes	1,513	1,277
237	Accrued Interest	99	193
241	Miscellaneous Current and Accrued Liabilities	5,295	1,394
253	Other Deferred Credits	890	1,282
	<b>TOTAL CURRENT LIABILITIES</b>	<b>\$14,681</b>	<b>\$23,693</b>
	<b>LONG-TERM DEBT (Over 12 Months)</b>		
224	Long-Term Notes and Bonds	\$	\$
	<b>DEFERRED CREDITS</b>		
251	Unamortized Premium on Debt	\$	\$
252	Advances in Aid of Construction	1,855,298	1,844,573
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction		
272	Less: Amortization of Contributions		
281	Accumulated Deferred Income Tax		
	<b>TOTAL DEFERRED CREDITS</b>	<b>\$1,855,298</b>	<b>\$1,844,573</b>
	<b>TOTAL LIABILITIES</b>	<b>\$1,869,978</b>	<b>\$1,868,265</b>
	<b>CAPITAL ACCOUNTS</b>		
201	Common Stock Issued	\$	\$
211	Paid in Capital in Excess of Par Value	(33,465)	(191,828)
215	Retained Earnings	(42,405)	(26,349)
218	Proprietary Capital (Sole Props and Partnerships)		
	<b>TOTAL CAPITAL</b>	<b>\$(75,869)</b>	<b>\$(218,177)</b>
	<b>TOTAL LIABILITIES AND CAPITAL</b>	<b>\$1,794,109</b>	<b>\$1,650,089</b>

**COMPARATIVE STATEMENT OF INCOME AND EXPENSE**

<b>Acct. No.</b>	<b>OPERATING REVENUES</b>	<b>PRIOR YEAR</b>	<b>CURRENT YEAR</b>
461	Metered Water Revenue	\$104,393	\$131,333
460	Unmetered Water Revenue		
474	Other Water Revenues	1,211	2,510
	<b>TOTAL REVENUES</b>	<b>\$105,604</b>	<b>\$133,843</b>
	<b>OPERATING EXPENSES</b>		
601	Salaries and Wages	\$22,090	\$18,295
610	Purchased Water		
615	Purchased Power	9,712	9,190
618	Chemicals	815	579
620	Repairs and Maintenance	3,068	198
621	Office Supplies and Expense	2,148	1,885
630	Outside Services	584	175
635	Water Testing	1,274	3,778
641	Rents	448	956
650	Transportation Expenses	1,005	562
657	Insurance – General Liability	248	382
659	Insurance - Health and Life	78	345
666	Regulatory Commission Expense – Rate Case		2,008
675	Miscellaneous Expense	2,796	1,966
403	Depreciation Expense	64,231	64,414
408	Taxes Other Than Income	539	271
408.11	Property Taxes	3,083	2,522
409	Income Tax	(2,550)	10,102
	<b>TOTAL OPERATING EXPENSES</b>	<b>\$109,569</b>	<b>\$117,628</b>
	<b>OPERATING INCOME/(LOSS)</b>	<b>\$(3,965)</b>	<b>\$16,215</b>
	<b>OTHER INCOME/(EXPENSE)</b>		
419	Interest and Dividend Income	\$(113)	\$(158)
421	Non-Utility Income		
426	Miscellaneous Non-Utility Expenses		
427	Interest Expense		
	<b>TOTAL OTHER INCOME/(EXPENSE)</b>	<b>\$(113)</b>	<b>\$(158)</b>
	<b>NET INCOME/(LOSS)</b>	<b>\$(4,078)</b>	<b>\$16,057</b>



**COMPANY NAME: WATER UTILITY OF NORTHERN SCOTTSDALE**

**SUPPLEMENTAL FINANCIAL DATA**

**Long-Term Debt**

	<b>LOAN #1</b>	<b>LOAN #2</b>	<b>LOAN #3</b>	<b>LOAN #4</b>
Date Issued				
Source of Loan				
ACC Decision No.				
Reason for Loan				
Dollar Amount Issued	\$	\$	\$	\$
Amount Outstanding	\$	\$	\$	\$
Date of Maturity				
Interest Rate	%	%	%	%
Current Year Interest	\$	\$	\$	\$
Current Year Principle	\$	\$	\$	\$

Meter Deposit Balance at Test Year End \$ 6,560.00

Meter Deposits Refunded During the Test Year \$ 1,930.00

<b>COMPANY NAME: Water Utility of North Scottsdale</b>	
<b>Name of System: Granite Mountain</b>	<b>ADEQ Public Water System Number: AZ-04-07-179</b>

## **WATER COMPANY PLANT DESCRIPTION**

### **WELLS**

<b>ADWR ID Number*</b>	<b>Pump Horsepower</b>	<b>Pump Yield (gpm)</b>	<b>Casing Depth (Feet)</b>	<b>Casing Diameter (Inches)</b>	<b>Meter Size (Inches)</b>	<b>Year Drilled</b>
55-565172 Granite Mountain #1		80	1,000	6	3"	1997
55-583777 Rio Mountain		80	970	6	4"	2001
55-586186 Granite Mountain #2		80	1,000	8	3"	2001

\* Arizona Department of Water Resources Identification Number

### **OTHER WATER SOURCES**

<b>Name or Description</b>	<b>Capacity (GPM)</b>	<b>Gallons Purchased or Obtained (In Thousands)</b>

<b>BOOSTER PUMPS</b>		<b>FIRE HYDRANTS</b>	
<b>Horsepower</b>	<b>Quantity</b>	<b>Quantity Standard</b>	<b>Quantity Other</b>
100	1	59	
25	2		

<b>STORAGE TANKS</b>		<b>PRESSURE TANKS</b>	
<b>Capacity</b>	<b>Quantity</b>	<b>Capacity</b>	<b>Quantity</b>
250,000 GAL	1	5,000 GAL	1

***Note: If you are filing for more than one system, please provide separate sheets for each system.***

**COMPANY NAME: Water Utility of North Scottsdale**

**Name of System: Granite Mountain**

**ADEQ Public Water System Number: AZ-04-07-179**

**MAINS**

Size (in Inches)	Material	Length (in Feet)
6	PVC	129
8	PVC	15,418
10	PVC	9,752
12	PVC	6,810
16	PVC	70
6	UNK	46
8	UNK	8,137
10	UNK	7,051

**CUSTOMER METERS**

Size (in inches)	Quantity
1 1/2"	5
1"	69
2"	2

ABS = Acrylonitrile-Butadiene-Styrene

AC = Asbestos Cement

ACP = Asbestos Concrete Pipe

ASWP = American Spiral Weld Pipe

CU = Copper

DIP = Ductile Iron Pipe

DIP150 = 150# Ductile Iron Pipe

=

GALV = Galvanized Steel Pipe

PVC = Polyvinyl Chloride

PVCCL1 = PVC 900 CL 150

PVCCL2 = PVC 900 CL 200

PVCNP = PVC - Not Purple

SDRCL1 = PVC SDR 26 CL 160

STEEL = Steel

UNK = Unknown

**For the following three items, list the utility owned assets in each category for each system.**

**TREATMENT EQUIPMENT:**

Chlorination System at each well

**STRUCTURES:**

Block Wall fences around facility

8' x 8' Storage Sheds

**OTHER:**

***Note: If you are filing for more than one system, please provide separate sheets for each system.***

<b>COMPANY NAME: WATER UTILITY OF NORTHERN SCOTTSDALE</b>	
<b>Name of System: Northern Scottsdale</b>	<b>ADEQ Public Water System Number: AZ04-07-179</b>

**WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2009**

<b>MONTH</b>	<b>NUMBER OF CUSTOMERS</b>	<b>GALLONS SOLD (Thousands)</b>	<b>GALLONS PUMPED (Thousands)</b>	<b>GALLONS PURCHASED (Thousands)</b>
<b>JANUARY</b>	69	651	666	
<b>FEBRUARY</b>	71	546	575	
<b>MARCH</b>	71	625	911	
<b>APRIL</b>	72	692	1,018	
<b>MAY</b>	69	1,028	1,139	
<b>JUNE</b>	69	1,001	1,357	
<b>JULY</b>	69	1,340	1,564	
<b>AUGUST</b>	69	1,303	1,553	
<b>SEPTEMBER</b>	71	1,724	1,293	
<b>OCTOBER</b>	71	1,005	1,446	
<b>NOVEMBER</b>	72	911	1,140	
<b>DECEMBER</b>	71	856	878	
<b>TOTALS →</b>		<b>11,683</b>	13,537	

What is the level of arsenic for each well on your system? < 0.010 mg/l

*(If more than one well, please list each separately.)*

ADWR #55-599204 Granite Mtn #1

ADWR #55-586186

Granite Mtn #2

If system has fire hydrants, what is the fire flow requirement? \_\_\_\_\_ GPM for \_\_\_\_\_ hrs

If system has chlorination treatment, does this treatment system chlorinate continuously?

☒ (X) Yes                      ☐ ( ) No

Is the Water Utility located in an ADWR Active Management Area (AMA)?

☒ (X) Yes                      ☐ ( ) No

Does the Company have an ADWR Gallons Per Capita Per Day (GPCPD) requirement?

☐ ( ) Yes                      ☒ (X) No

If yes, provide the GPCPD amount: \_\_\_\_\_

***Note: If you are filing for more than one system, please provide separate data sheets for each system.***

<b>COMPANY NAME: WATER UTILITY OF NORTHERN SCOTTSDALE</b>	
<b>Name of System: Consolidated</b>	<b>ADEQ Public Water System Number: AZ04-07-179</b>

**UTILITY SHUTOFFS / DISCONNECTS**

<b>MONTH</b>	<b>Termination without Notice R14-2-410.B</b>	<b>Termination with Notice R14-2-410.C</b>	<b>OTHER</b>
<b>JANUARY</b>	0	2	
<b>FEBRUARY</b>	0	2	
<b>MARCH</b>	0	0	
<b>APRIL</b>	0	0	
<b>MAY</b>	0	4	
<b>JUNE</b>	0	3	
<b>JULY</b>	0	7	
<b>AUGUST</b>	0	2	
<b>SEPTEMBER</b>	0	2	
<b>OCTOBER</b>	0	4	
<b>NOVEMBER</b>	0	1	
<b>DECEMBER</b>	0	0	
<b>TOTALS →</b>	<b>0</b>	27	

OTHER (description):

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**COMPANY NAME: WATER UTILITY OF NORTHERN SCOTTSDALE  
YEAR ENDING 12/31/2009**

**PROPERTY TAXES**

Amount of actual property taxes paid during Calendar Year 2009 was: **\$2,522.00**

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why. \_\_\_\_\_

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**VERIFICATION  
AND  
SWORN STATEMENT**  
Taxes

RECEIVED

ACC UTILITIES DIRECTOR

**VERIFICATION**

**STATE OF ARIZONA      Maricopa**

**I, THE UNDERSIGNED      Graham Symmonds, CTO & SVP Regulatory Affairs & Compliance**  
**OF THE                      Water Utility of Northern Scottsdale, Inc.**

**DO SAY THAT THIS ANNUAL UTILITY PROPERTY TAX AND SALES TAX REPORT TO THE ARIZONA CORPORATION COMMISSION**

**FOR THE YEAR ENDING**

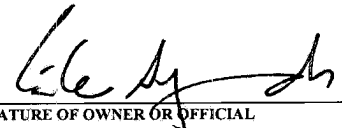
MONTH	DAY	YEAR
12	31	2009

**HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.**

**SWORN STATEMENT**

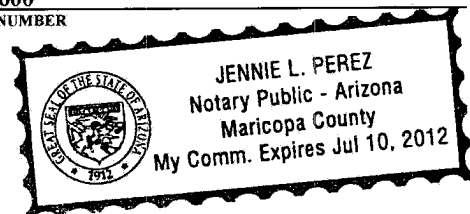
**I HEREBY ATTEST THAT ALL PROPERTY TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.**

**I HEREBY ATTEST THAT ALL SALES TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.**

  
\_\_\_\_\_  
SIGNATURE OF OWNER OR OFFICIAL

623-580-9600  
TELEPHONE NUMBER

**SUBSCRIBED AND SWORN TO BEFORE ME JENNIE L PEREZ**  
**A NOTARY PUBLIC IN AND FOR THE COUNTY OF MARICOPA**  
**THIS 15 DAY OF APRIL, 2010.**



**MY COMMISSION EXPIRES 7/10/2012**

  
\_\_\_\_\_  
SIGNATURE OF NOTARY PUBLIC

**COMPANY NAME: WATER UTILITY OF NORTHERN SCOTTSDALE  
YEAR ENDING 12/31/2009**

**INCOME TAXES**

For this reporting period, provide the following:

Federal Taxable Income Reported	<u>\$ 16,057.00</u>
Estimated or Actual Federal Tax Liability	<u>\$ 0.00</u>

State Taxable Income Reported	<u>\$ 16,057.00</u>
Estimated or Actual State Tax Liability	<u>\$ 0.00</u>

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances	<u>\$ 1,844,572.77</u>
Amount of Gross-Up Tax Collected	<u>\$ 0.00</u>
Total Grossed-Up Contributions/Advances	<u>\$ 0.00</u>

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

**CERTIFICATION**

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.

  
\_\_\_\_\_  
**SIGNATURE**

April 15, 2010  
\_\_\_\_\_  
**DATE**

Graham Symmonds  
\_\_\_\_\_  
**PRINTED NAME**

CTO & SVP Regulatory Affairs and Compliance  
\_\_\_\_\_  
**TITLE**



# VERIFICATION AND SWORN STATEMENT

## Intrastate Revenues Only

RECEIVED

### VERIFICATION

STATE OF ARIZONA Maricopa

I, THE UNDERSIGNED **Graham Symmonds, CTO & SVP Regulatory Affairs & Compliance**  
OF THE **Water Utility of Northern Scottsdale, Inc.**

ACC UTILITIES DIRECTOR

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2009

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

### SWORN STATEMENT

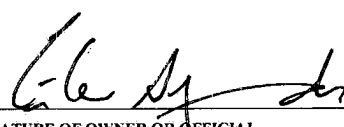
IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2009 WAS:

Arizona Intrastate Gross Operating Revenues Only (\$)

\$ 141,975.83

(THE AMOUNT IN BOX ABOVE  
INCLUDES \$ 8,132.83  
IN SALES TAXES BILLED, OR COLLECTED)

**\*\*REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)**

  
SIGNATURE OF OWNER OR OFFICIAL

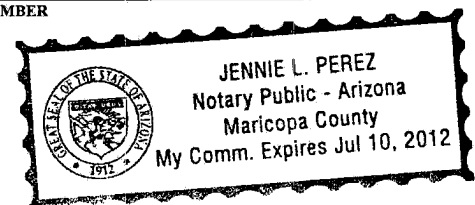
623-580-9600  
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME JENNIE L PEREZ

A NOTARY PUBLIC IN AND FOR THE COUNTY OF MARICOPA

THIS 15 DAY OF APRIL, 2010.

MY COMMISSION EXPIRES 7/10/2012



  
SIGNATURE OF NOTARY PUBLIC

VERIFICATION AND SWORN STATEMENT \*

**RESIDENTIAL REVENUE**

**Intrastate Revenues Only**

RECEIVED

APR 17 2010

ACC UTILITIES DIRECTOR

VERIFICATION

STATE OF ARIZONA      Maricopa

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SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2009 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES

\$ 131,796.65

THE AMOUNT IN BOX AT LEFT

INCLUDES \$ 7,119.72

IN SALES TAXES BILLED, OR COLLECTED)

\*RESIDENTIAL REVENUE REPORTED ON THIS PAGE  
MUST INCLUDE SALES TAXES BILLED.

  
SIGNATURE OF OWNER OR OFFICIAL

623-580-9600

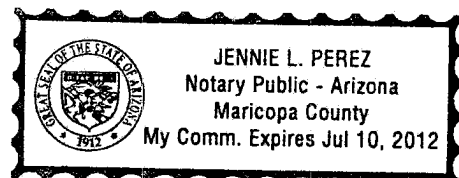
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